

Executive Committee Meeting
February 26, 2007
4:30 p.m. to 6:30 p.m.

Call to Order/Opening Remarks

Acting Secretary Sedlick called the meeting to order at 4:50 p.m. Roll was taken and the following Commissioners were present: Commissioner Bilby, Koeberer, Lawrance, MacRae, Meunier, and Westrope. Others present included: Caroline Beteta, Lynn Carpenter, Sue Coyle, Damon Eberhart, Tracy Garrett, Ross Hutchings, Jennifer Jasper, Brad Johnson, Mike Kvarme, Crystal Muhlenkamp, Matt Sabbatini, Terri Toohey, and Susan Wilcox

Executive Director Report

Executive Director Beteta reported that staff is in the planning stages for FY 07/08. The passenger rental car collections are coming in and Executive Director Beteta reported that Dale Bonner will be starting as BT&H Secretary on Monday, March 5, 2007.

Government Affairs Update

Executive Director Beteta reported that she had been contacted by Kellie Smith, Chief Consultant, for the Assembly Committee on Arts, Entertainment, Sports, Tourism & Internet Media and Kellie will be addressing the full Commission on February 27, 2007. She reported that the CTTC will need to educate new Members in the Legislature this year, and that the Members of the Assembly Committee on Arts, Entertainment, Sports, Tourism & Internet Media are all newly elected. Kellie Smith requested Executive Director address the Committee on the economic impact of tourism and other issues in the next few weeks. Executive Director Beteta reported that Chris Kahn has recently been appointed Deputy Chief of Staff for Governor Schwarzenegger and will be briefing him next week on the tourism program.

Executive Beteta stated that she will be reporting on all federal tourism issues, including the Western Hemisphere Travel Initiative at the full Commission meeting as well as plans for a second tourism leadership summit in D.C. on September 26, 2007

Marketing Advisory Update

Commissioner Bilby reported that the strategic plan has been discussed in detail with the international offices and will be reviewed in detail at the full Commission meeting. She also reported that staff is ahead of schedule and are on target for approval of the draft strategic marketing plan at the May 15 meeting.

Financial Update

Commissioner Westrope reviewed the financial statements.

**Motion by Commissioner Koeberer to approve financial statements as reviewed.
Second by Commissioner Bilby. Motion unanimously approved.**

Executive Director Beteta opened the discussion about setting up a catastrophic reserve for the CTTC in order to deal with a national disaster in California. She stated

that other states have established a policy. Executive Director Beteta reported that staff will research options but recommends the reserve should be set somewhere between \$1 and \$5 million.

Tracy Garrett reported on the cash flow projections. She stated that staff has not received the total January Passenger Rental Car assessment yet, but hopes to have a final cash flow projection by the next meeting.

Tracy Garrett also reported that staff is postponing the decision to allow credit card processing for assessment payments until the May meeting. Staff is still researching the cost associated with collecting payments via credit card. Staff is also looking at the option of charging a convenience fee.

Damon Eberhart reported on the upcoming audit. He reported that Moss Adams completed the audit last year at a much reduced rate; however their proposal was in anticipation of having the contract for the next two years, even though there was no commitment from the CTTC. Damon stated that the CTTC needs to be engaged with an audit firm by the end of March. Commissioner Westrope stated that by retaining the same firm, staff won't have to spend as much time bringing another company up to speed on the organization's policies and procedures.

Mike Kvarme stated that this item needs to be noticed at the next meeting. The Audit Committee will meet prior to the next Executive Committee Meeting.

Legal Update

Mike Kvarme stated that he is still reviewing the issue of crossover of board members on CalTIA and CTTC and will have a formal analysis by the next meeting.

Other Business

Commissioner Lawrance reported that the Nominating Committee had met and discussed the need to make recommendations for the passenger rental car segment. Commissioner Lawrance reported that with the resignation of Commissioner Bazin the committee was recommending Jerry Dow, of Vanguard, to fill the vacancy.

Sue Coyle reported that the next Commission meeting will be held in San Francisco at the Fairmont Hotel on May 14 and 15.

Public Comment

No public comment

Adjournment

Meeting adjourned at 5:47 pm.